

4 MAY 1965

MEMORANDUM FOR: Executive Director-Comptroller

SUBJECT: Comments to BOB on Reorganization Plan

1. This memorandum contains a recommendation submitted for the approval of the Executive Director-Comptroller. Such recommendation is contained in paragraph 4.

2. By letter to Mr. McCone, the Bureau of the Budget has submitted for comment a draft reorganization plan which would abolish a number of inter-agency committees created by statute and transfer their functions to the appropriate agency head. This action is designed to achieve greater flexibility of organization in meeting the executive responsibilities under the laws involved.

3. Of the seven committees, councils, or boards to be abolished, one directly concerns the Director of Central Intelligence.

(A) DCI Interest. Section 1(d) provides, "There are hereby transferred to the Secretary of the Treasury all functions of the Awards Board provided for in section 3 of the Atomic Weapons Rewards Act of 1955, 69 Stat. 365 (50 U.S.C. 47b).

Comments:

(1) The Atomic Weapons Rewards Act provides a monetary reward for any person who furnishes the Government certain nuclear material or atomic weapons information. The function of the Board is

to determine (a) entitlement to an award under the Act and (b) the amount of the award. The Director of Central Intelligence, as well as the Secretary of the Treasury (who is the Chairman), the Secretary of Defense, and the Attorney General are the statutory members of the Board. Under the draft reorganization plan, the Awards Board is abolished, with the Secretary of the Treasury taking over its functions. To date, an award has not been granted under the Act. Further, the transfer of functions need not necessarily diminish the DCI's or the Agency's role in such matters.

(2) Two other statutory responsibilities of the DCI in the Atomic Weapons Rewards Act of 1955 are unaffected by the draft plan. The first has to do with the joint determination by the Secretary of State, the Attorney General and the DCI that an alien informer's entry into the United States is in the public interest. The second provides that once an award is granted, it shall be paid by the DCI out of funds appropriated or available for the administration of the National Security Act of 1947, as amended.

4. It is recommended that the Executive Director-Comptroller approve the release of the attached letter to the Bureau of the Budget, indicating that we have no objections to the proposed draft reorganization plan. STAT

LAWRENCE R. HOUSTON
General Counsel

The suggestion in
paragraph 4 is approved.

Executive Director

Date

Distribution:

O-OGC/LC

1- Ex Dir - Comm

1-ER


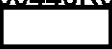
1-CI

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TRANSMITTAL SLIP		DATE 4 May 65
TO: Mr. Larry Houston		
ROOM NO. 7 D 01	BUILDING	
REMARKS: DCI concurs. W. Elder		
FROM:		
ROOM NO.	BUILDING	EXTENSION

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TO	NAME AND ADDRESS	DATE	INITIALS
1	Executive Director 7E12		
2	Mr. Elder		
3	For clearance with		m. 2/65
4	DCI.		4 m. 2/65
5	Return to OGC.		
6			
ACTION		DIRECT REPLY	PREPARE REPLY
APPROVAL		DISPATCH	RECOMMENDATION
COMMENT		FILE	RETURN
CONCURRENCE		INFORMATION	SIGNATURE
<p>Remarks: We are here agreeing with BOB's recommended reorganization plan to abolish the Awards Board under the Atomic Weapons Rewards Act. Membership of the Board is set by statute and includes the DCI. The Board has never granted an award, and it is pretty widely agreed that statutory membership on many inter-agency committees introduces an element of unnecessary rigidity. This has been run through OSI and CI. I don't think we should bother the boss on this.</p> <p style="text-align: right;">  Lawrence R. Houston General Counsel </p>			
FOLD HERE TO RETURN TO SENDER			
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